



Budget & Finance Committee

Wednesday June 16, 2010 – 9:30 a.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Beachnau called the meeting to order at 9:30 AM

Roll call – Present: Paul Beachnau, John Burt, Clark Bates, Erma Backenstose

Others present – Diann Axford, Rachel Frisch, Jeff Ratcliffe, Jack Thompson, Larry Edwards

Absent (excused) – Ken Glasser

APPROVAL OF MINUTES

Motion by Mr. Bates to approve the minutes from the May 19, 2010 budget and finance committee meeting. Motion passed unanimously.

UNFINISHED BUSINESS

None.

NEW BUSINESS

A. Economic Alliance Update

Mr. Ratcliffe updated the Committee on the progress of the Brownfield Redevelopment Authority and other matters related to the vacant Georgia Pacific property.

B. Gateway Project Request

Mr. Thompson updated the Committee on the Gateway to Gaylord project. The purpose of the project is to landscape the I-75 Exit 282 exchange. At this time, Gaylord has the only irrigated I-75 exchange in Michigan. The City of Gaylord donates the water for the irrigation. The project partners are currently the O.W.L.S and Rotary. They are looking for more partners to share in the cost.

Motion by Mr. Burt to recommend to the full board transferring \$3,000 out of contingency to contribute toward the Gateway to Gaylord project. Motion passed unanimously.

C. Energy Efficiency Study

Mr. Burt informed the Committee that he has been working with NEMCOG and architect Tad Latuszek on an energy efficiency lighting project at the Alpine Center and Sheriff department. Mr. Burt wanted to bring to the Committee's attention that they are also now looking at the boiler system. Mr. Latuszek would like to do a boiler system study, to see if he could recommend a boiler that would pay for itself over time, as a result of increased efficiency. The study costs \$2,500, and Mr. Burt intends to pay for that cost out of the Building and Grounds Fund (fund 637).

D. DNR Property (540 S. Illinois) Request

Mr. Burt reported that the DNR property committee had its first meeting, to determine if putting a park at that location would be feasible. It was determined that they really can't proceed until a Phase II environmental study is done. Mr. Burt will obtain a cost estimate and report to the full board. The cost would be paid for out of the Building and Ground Fund (fund 637), using leftover budget dollars in the natural gas line item.

E. Information Center Purchase

Mr. Burt explained to the Committee that the Chamber of Commerce would like to move forward with selling the Information Center building to the County. The proposed cost is \$95,000, but the purchase won't take place for approximately 3 years, as the Chamber has to secure its new location. With the purchase of the Information Center building, the County should be able to move the Equalization and Land Use Services departments to the downtown location and close the Cross Street building.

Motion by Mr. Burt to recommend to the full board to transfer \$95,000 into the Capital Projects Fund (fund 499) from the Delinquent Tax Fund (fund 516), and designate those dollars for the Information Center purchase, after the purchase agreement has been finalized. Mr. Beachnau abstained from voting. Motion passed unanimously.

F. DHS Training Center Lease

Mr. Burt informed the Committee that the DHS lease is scheduled for renewal on 7/31/11, but they would like to negotiate the contract early. They lease the 4th floor of the Alpine Center (they used to also lease the 3rd floor but moved out of that a while ago). They would like to see some reduction of cost and propose \$62,004, a decrease from the current rate of \$63,993 annually. They would like a 10-year lease agreement, with 5-year renewals with a provision for increased rent at each renewal.

Motion by Ms. Backenstose to recommend to the full board to move forward with the lease agreement with DHS. Motion passed unanimously.

G. Homeland Security Grant – new fund

Ms. Frisch informed the Committee that a new fund was created – Homeland Security Grant Fund (fund 262).

H. May 2010 Financial Reports and Updates

Ms. Frisch presented the May2010 financial reports.

Mr. Beachnau adjourned the meeting at 11:00 AM.